

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

FEBRUARY 9, 2016

Making Strategic Investments in the Los Angeles County's Homeless Initiative

Los Angeles County (County) is in the midst of a homeless crisis that affects more than 44,000 men, women and children who are sleeping at night in emergency shelters, transitional housing programs, vehicles, and on the streets. This is a crisis that has been building for decades, driven by declining incomes and rising housing costs. The most vulnerable, those living with mental or physical disabilities and drug or alcohol addictions, and who lack family support, are the hardest hit. A humane and holistic approach that is fiscally sustained over the long term and aimed not only at rehousing persons that are homeless but preventing people from becoming homeless in the first place is needed.

The County has made several efforts and investments to address homelessness in a meaningful and sustained manner, including:

- Since November 2012, the County's Department of Health Services (DHS) Housing for Health Division has permanently housed 1,110 formerly homeless clients, and 1,500 more clients are in the pipeline to be housed by June 2016. Through the Housing for Health Division, the County is funding a portfolio of street engagement and clinical teams, interim housing, property management and landlord services, rental subsidies, and supportive services. Once individuals are placed in permanent housing, the County

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funds non-profit providers that provide Intensive Case Management Services to ensure that clients remain stably housed.

- On June 11, 2013, June 2, 2015, and again on October 13, 2015, the Board of Supervisors (Board) directed the Chief Executive Officer (CEO) to identify additional ongoing funds to sustain the County's Homeless Prevention Initiative strategy.
- In June 2015, the Board approved additional dedicated outreach teams in Skid Row. The County is funding four integrated outreach teams in Skid Row, operated by DHS' Housing for Health Division. Also known as C3 (County-City-Community) teams, this Skid Row initiative leverages existing and ongoing County-funded programs and services, such as DHS recuperative care beds, affordable housing and home-based supportive services.
- In October 2015, the Board approved a \$15 million investment in Rapid Rehousing for single adults and families. The Board has also approved a multi-year plan to create, over five years, a \$100 million annual Affordable Housing Trust Fund to build and invest in affordable and permanent supportive housing throughout the County.
- The Board has also made special investments in various vulnerable homeless populations such as veterans, transition aged youth and women.
- On February 17, 2016, the County will celebrate the opening of the MLK Recuperative Care Center. The MLK Recuperative Care Center will accommodate 100 homeless patients and provide them with intensive case management services, health care oversight and linkage to permanent supportive housing. The opening of this facility will boost the number of recuperative care beds available Countywide from 63 to 163.

In August 2015, the CEO launched a Homeless Initiative, in collaboration with a diverse group of public and private stakeholders, to craft a strategic and comprehensive set of strategies to further address this homeless crisis. The Board applauds the thoughtful and inclusive approach undertaken by the CEO to develop comprehensive and actionable strategies. To ensure accountability and the best results for homeless individuals in the County and throughout the region, the Board must ensure that these strategies are carefully monitored, coordinated and integrated with each other as well as with related Board priority

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initiatives, such as the Office of Diversion and Re-entry and the Affordable Housing Trust Fund. The ultimate aim should be to demonstrate to the public that progress is being made to address homelessness across the region and that the County is accountable to its multiple stakeholders.

Furthermore, it is imperative that the Board continue to coordinate and leverage the County's activities with all 88 cities within the County. The success of the currently proposed homeless plan, particularly the portions focused on prevention, will rely on the active participation of the County's 88 cities. Cities will ultimately need to change policy, design programs and collaborate with other local jurisdictions to achieve scale.

Finally, it is critical that this initiative be a multi-faceted private/public partnership and includes businesses, residents and faith-based communities. For example, some faith-based organizations own surplus property that, with modest technical assistance, could be utilized to successfully house homeless people. The tremendous community participation at the public summits and hearings leading up to the development of the final recommendations of the Homeless Initiative, as well as record volunteer turnout for the 2016 Homeless Count, demonstrate the willingness of many residents to become involved in the effort to improve the quality of life for the County's most vulnerable residents. It will take the sustained will, engagement and commitment of every sector and every community in the County to meaningfully address the crisis.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS: Approve the Chief Executive Officer's February 9, 2016 Homeless Initiative recommendations with the following amendments:

- 1) Direct the Chief Executive Officer (CEO) and all other departments and agencies responsible for allocation and oversight of the resources identified for this initiative (see Recommended Strategies to Combat Homelessness report and related addenda) to allocate and expend all funding based on geographic need per Service Planning Area as determined by the latest Homeless Count results for the Los Angeles, Glendale, Pasadena and Long Beach continua of care.

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- 2) Direct the CEO to report back to the Board of Supervisors (Board) in 30 days with a written plan that details how the nearly fifty adopted Homeless Initiative recommendations will be implemented in a manner that is cohesive and avoids duplication of effort. This report should include details on how the CEO will coordinate and integrate these strategies and activities across departments and with other related initiatives, such as the Office of Diversion and Reentry and the Affordable Housing Trust Fund. Periodic updates on the trajectory of the collective strategies, taken as a whole, should be communicated to the Board through the CEO's quarterly reports.
- 3) Direct the CEO to work with the Director of Department of Health Services (DHS) Housing for Health Division to report back to the Board in writing in 60 days on recommendations to help faith-based organizations repurpose existing residential and/or surplus properties for use as interim and/or permanent housing for homeless persons. The report back should include a process to develop and structure these partnerships, including recommendations on the most effective and expedient methods for assisting faith-based organizations in their desire to contribute any under-utilized properties to help end homelessness in the County.
- 4) Direct the CEO, in coordination with the Executive Director of the Community Development Commission (CDC), to report back to the Board in writing in 60 days on recommendations to create a database comprised of community residents interested in helping to facilitate the siting of affordable and permanent supportive housing across the County.
 - a. This database can be combined with social media to provide opportunities for advocacy so that interested community members can participate in the development and advancement of supportive housing in their neighborhoods.
 - b. The report should investigate and recommend the most appropriate entity to manage such a database, such as an existing advocacy stakeholder group working on affordable and permanent supportive housing development, as

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well as how philanthropy or other private enterprise might be involved in funding the startup costs and maintenance of the database.

- 5) Direct the CEO, in collaboration with the Executive Director of CDC, the Director of the Department of Regional Planning and the Director of the Department of Public Works (DPW), to report back in writing in 60 days on a pilot to incentivize developers to use prefabricated construction techniques to accelerate development of affordable and permanent supportive housing. This pilot would capitalize on Homeless Initiative Strategy F6 which will inventory and unlock underutilized public land for housing development.
 - a. The pilot would use lessons learned from the development of the nationally recognized Star Apartments in Skid Row, which used prefabricated construction.
 - b. Preferred development properties for the prefabricated construction pilot would be located near transportation and other supportive amenities.
 - c. Properties designated to fit the preferred criteria could be offered on an accelerated schedule to non-profit and for-profit housing developers.
 - d. In exchange for these discounted properties/land, developers would agree to use prefabricated construction techniques which should reduce construction costs and completion schedules.
 - e. Concurrently, the County should explore tax benefits for new and/or existing/established prefabrication manufacturers to locate in the County in order to reduce transportation costs, shorten delivery schedules, and lower risk concerns about product standards.
- 6) Direct the CEO to report back in 120 days in writing on a capacity building initiative to support cities that want to successfully partner with the County to achieve the outcomes sought in the Homeless Initiative.
- 7) Direct the CEO, working with County Counsel, and the Director of DPW to develop a Countywide local worker hire policy for Board approval in 30 days that, to the extent possible, applies to all capital projects undertaken as part of this homeless initiative

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as well as County construction projects with project budget greater than \$2.5 million and that, among other things, mandates that a minimum percentage of all hours be performed by disadvantaged workers including, e.g., homeless or formerly homeless individuals, veterans and former foster youth.

- 8) Direct the CEO, in collaboration with the Executive Director of the CDC and the Directors of DHS and Mental Health, to report back to the Board in writing in 60 days on a recommended strategy for the construction of not less than 1,000 units of permanent supportive housing over the next five years for homeless individuals diverted from the criminal justice system (production goal derived from the "Proposed Population Management Solutions" 2014 report issued by the Sheriff's Department). The report should explore predictable financing strategies such as tax-exempt bond financing and 4% Federal Tax Credits as well as State Low Income Housing Tax Credits with funding from the State's Special Needs Multi-Family Housing Program.
 - a. The report should identify the County's real property assets including underutilized or vacant facilities that could be made available to realize the 1,000 units.
 - b. The report should identify opportunities to leverage private sector equity and capital that will be required for construction and permanent financing of 1,000 new units of permanent supportive housing utilizing the rental subsidies available from the Flexible Housing Subsidy Pool.
 - c. The report should also identify additional resources for the Flexible Housing Subsidy Pool based on cost savings achieved as a result of the County's efforts to divert individuals with health and behavioral health issues from the criminal justice system.

(YV/DW)